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# BANBURY BID

## INFORMATION SHEET 1

Following a recent survey of town centre businesses, which showed considerable support for the possible creation of a **Business Improvement District (BID) in Banbury**, Cherwell District Council have commissioned an independent organisation to work up a series of proposals. This is therefore the first of a series of updates for businesses asking for your views on the proposals and we hope that this initial update answers a few common questions about what is being proposed.

### What is a Business Improvement District or BID?

A BID is a business-led and business funded body formed to improve a defined commercial area. Most are governed by a board made up of BID levy payers who represent the BID area. This means that businesses have a genuine voice to decide and direct what they want for the area.

### Is there business support towards a BID in Banbury?

Yes – a recent study included a survey which asked town centre businesses about creating a BID in central Banbury. Responses were received from over 100 businesses, 74% of whom supported a project of this type being taken forward.

### How would a BID help my business?

There are more than 240 BIDs already operating across the UK, with the majority focusing on town or city centres. Businesses say the benefits they have brought about include:

- Businesses deciding and directing major projects that they want for their area
- Improved promotion & marketing of the town
- Increased footfall, which leads to increased business turnover
- Added vibrancy & vitality
- Additional networking opportunities within the local business community
- Improved relations with Councils, Police and other public bodies

### What type of projects are being considered?

The survey responses suggested that improvement plans for

Banbury should focus around:

- Empty shops improvements
- Car parking
- Marketing & promotion
- Street markets & festivals
- Events & entertainment
- Business cost reductions
- Public transport improvements
- Wifi

Any other ideas you may have are encouraged as part of our ongoing consultation.

### How are BIDs funded and set up?

A BID is funded by businesses paying a small proportion (typically of between 1% and 1.5%) of their business rateable value towards the BID. This money is then ring-fenced for use only in the BID area – unlike Business Rates which are re-distributed by Government. A BID can only be formed following consultation and a ballot in which businesses vote on a Business Plan which they have developed.

### How much would it cost my business?

A levy of 1.5% is being considered in Banbury, which means that a small business with a rateable value of £10,000 would invest £150 per year, a medium sized business with a rateable value of £75,000 would invest £1,125 per year and a large business with a rateable value of £150,000 would invest £2,250 per year. A reduced levy of 1.25% is being considered for tenants of managed shopping centres to reflect the service charge which they pay, which would result in slightly reduced payments to those listed above.

**PLEASE READ – THIS IS IMPORTANT FOR YOUR BUSINESS**



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## How much money would be generated?

The survey suggested a BID area which includes approximately 460 businesses. This would generate approximately £250,000 per year, which we would also expect to be supplemented by contributions from local businesses outside the town centre. BIDs are also often successful in gaining additional funding, because they are attractive to public sector bodies who are encouraged to match-fund money raised by the private sector through the BID.

## How does the ballot work?

It is run by the Council on behalf of local businesses or outsourced to a third party and is conducted entirely by post. All businesses that would pay the levy have a minimum of 28 days to vote. For a BID to go ahead the ballot must be won on two counts – a straight majority and majority of rateable value. There is no minimum turnout threshold.

## Which area would be covered?

The survey suggested that the main town centre, including Castle Quay and the Leisure Centre should be included. However, the area proposed remains open to consultation.

## Would all businesses be liable to pay the BID levy?

In principle, yes, although an exemption level of £7,500 is being considered, which means that small businesses which fall under this threshold would not be liable to pay the levy or to vote in the ballot. They would however be able to join the BID and therefore benefit from a number of services for a voluntary annual contribution of approximately £100.

## Isn't this just a stealth tax?

No – the BID would be established to carry out projects over and above anything currently happening or planned in Banbury so would deliver added value and activity in the key areas identified. Furthermore, the BID would be governed by a Board made up of BID levy payers, who would be tasked with ensuring that BID activities deliver additional impact to existing activities.

## Why doesn't the Council provide these services already?

Councils are under increasing pressure to deliver a range of public services and simply do not have the finances to deliver the services which BIDs can. BIDs are however designed to deliver additional activity and generally enter into a legal agreement with

public-sector bodies, such as Councils to ensure that they continue to provide core services, with the BID delivering projects above and beyond these standards. BIDs are therefore usually the best opportunity to make a real difference to the area.

## When could this happen?

The current proposals are for the following timetable to adopted:

Month	Key milestone
November 2016	Decision to proceed with BID
March 2017 – July 2017	Business liaison and consultation on proposed Business Plan and creation of shadow BID Board
July 2017	Launch of Business Plan
September 2017	Ballot papers issued
October 2017	Votes cast and result announced
November 2017 to January 2018	BID begins operation – subject to a positive vote

## How long would a BID last?

The maximum term for any BID is 5 years and we are proposing this timescale in Banbury, which would generate more than £1.25 million towards key improvements. If businesses wish, further 5-year terms could subsequently be proposed and taken to ballot.

## So how can I give you my views?

We want the views of as many businesses as possible in helping shape the proposals and would urge you to get in touch with us via the details shown below.

## How can I become more involved?

We are currently seeking to appoint a number of BID Champions to act as informal ambassadors for the BID proposals and are also seeking volunteers who may be interested in joining a Shadow Board to help direct the emerging BID proposals.

## Or please contact:

**Martin Quantock – Project Consultant – Heartflood Ltd**  
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Further details are also available on the website at **www.banburybid.com**